

COMMITTEE REPORT

MADAM PRESIDENT:

The Senate Committee on Tax and Fiscal Policy, to which was referred Senate Bill No. 448, has had the same under consideration and begs leave to report the same back to the Senate with the recommendation that said bill be AMENDED as follows:

- 1 Page 1, delete lines 1 through 17, begin a new paragraph and insert:
2 "SECTION 1. IC 6-1.1-10-44 IS ADDED TO THE INDIANA
3 CODE AS A NEW SECTION TO READ AS FOLLOWS
4 [EFFECTIVE JULY 1, 2009]: Sec. 44. (a) As used in this section,
5 "designating body" means:
6 (1) in the case of a county, the fiscal body of the county; or
7 (2) in the case of a municipality located in a county that does
8 not contain a consolidated city, the fiscal body of the
9 municipality.
10 (b) As used in this section, "eligible business" means an entity
11 that meets the following requirements:
12 (1) The entity is engaged in a business that operates one (1) or
13 more facilities dedicated to computing, networking, or data
14 storage activities.
15 (2) The entity is located in a facility or data center in Indiana
16 that contains in the aggregate at least ten million dollars
17 (\$10,000,000) in:
18 (A) personal property investment; and
19 (B) real property investment;
20 that is made after June 30, 2009.
21 (3) The average employee wage of the entity is at least one

1 hundred twenty-five percent (125%) of the county average
2 wage for each county in which the entity conducts business
3 operations.

4 (c) As used in this section, "enterprise information technology
5 equipment" means the following:

6 (1) Hardware supporting computing, networking, or data
7 storage function, including servers and routers.

8 (2) Networking systems having an industry designation as
9 equipment within the "enterprise" or "data center" class of
10 networking systems that support the computing, networking,
11 or data storage functions.

12 (3) Generators and other equipment used to ensure an
13 uninterrupted power supply to equipment described in
14 subdivision (1) or (2).

15 The term does not include computer hardware designed for single
16 user, workstation, or departmental level use.

17 (d) As used in this section, "fiscal body" has the meaning set
18 forth in IC 36-1-2-6.

19 (e) As used in this section, "municipality" has the meaning set
20 forth in IC 36-1-2-11.

21 (f) Before adopting a final resolution under subsection (g) to
22 provide a property tax exemption, a designating body must first
23 adopt a declaratory resolution provisionally specifying that
24 enterprise information technology equipment owned by a
25 particular eligible business is exempt from property taxation. The
26 designating body shall file a declaratory resolution adopted under
27 this subsection with the county assessor. After a designating body
28 adopts a declaratory resolution specifying that enterprise
29 information technology equipment owned by a particular eligible
30 business is exempt from property taxation, the designating body
31 shall publish notice of the adoption and the substance of the
32 declaratory resolution in accordance with IC 5-3-1 and file a copy
33 of the notice and the declaratory resolution with each taxing unit
34 in the county. The notice must specify a date when the designating
35 body will receive and hear all remonstrances and objections from
36 interested persons. The designating body shall file the notice and
37 the declaratory resolution with the officers of the taxing units who
38 are authorized to fix budgets, tax rates, and tax levies under
39 IC 6-1.1-17-5 at least ten (10) days before the date for the public
40 hearing. After the designating body considers the testimony
41 presented at the public hearing, the designating body may adopt a
42 second and final resolution under subsection (g). The second and

1 final resolution under subsection (g) may modify, confirm, or
 2 rescind the declaratory resolution.

3 (g) Before January 1, 2013, a designating body may after
 4 following the procedures of subsection (f) adopt a final resolution
 5 providing that enterprise information technology equipment
 6 owned by a particular eligible business is exempt from property
 7 taxation. In the case of a designating body that is a county fiscal
 8 body, the exemption applies only to enterprise information
 9 technology equipment that is located in unincorporated territory
 10 of the county. In the case of a designating body that is a municipal
 11 fiscal body, the exemption applies only to enterprise information
 12 technology equipment that is located in the municipality. The
 13 property tax exemption applies to the enterprise information
 14 technology equipment only if the designating body and the eligible
 15 business enter into an agreement concerning the property tax
 16 exemption. The agreement must specify the duration of the
 17 property tax exemption. The agreement may specify that if the
 18 ownership of enterprise information technology equipment is
 19 transferred by an eligible business, the transferee is entitled to the
 20 property tax exemption on the same terms as the transferor. If a
 21 designating body adopts a final resolution under this subsection
 22 and enters into an agreement with an eligible business, the
 23 enterprise information technology equipment owned by the eligible
 24 business is exempt from property taxation as provided in the
 25 resolution and the agreement.

26 (h) If a designating body adopts a final resolution and enters
 27 into an agreement under subsection (g) to provide a property tax
 28 exemption, the property tax exemption continues for the period
 29 specified in the agreement, notwithstanding the January 1, 2013,
 30 deadline to adopt a final resolution under subsection (g)."

31 Delete page 2.

(Reference is to SB 448 as introduced.)

and when so amended that said bill do pass .

Committee Vote: Yeas 12, Nays 0.

Senator Hershman, Chairperson